

IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF TEXAS

UNITED STATES OF AMERICA,

Plaintiff,

v.

PLAINS ALL AMERICAN PIPELINE,
L.P.; PLAINS PIPELINE, L.P.; PLAINS
MARKETING GP INC.; PLAINS
MARKETING, L.P.; and DELEK CRUDE
LOGISTICS, LLC,

Defendants.

Civil Action No. 4:10-cv-02833

Judge Melinda Harmon

Magistrate Judge Frances H. Stacy

FIRST AMENDMENT TO THE CONSENT DECREE

WHEREAS, the United States of America (the "United States"), the United States Environmental Protection Agency ("EPA"), Plains All American Pipeline, L.P.; Plains Pipeline, L.P.; Plains Marketing GP Inc.; and Plains Marketing, L.P. (hereinafter collectively referred to as "Plains") are parties to a Consent Decree entered by this Court on September 21, 2010 (Docket Document No. 14) (hereinafter the "Consent Decree");

WHEREAS, pursuant to an Asset Purchase and Sale Agreement dated August 12, 2011 (the "Purchase Agreement"), Plains has agreed to sell and Delek Crude Logistics LLC (hereinafter "Delek") has agreed to purchase and operate an approximately 35-mile Category I Pipeline that is subject to the requirements of the Consent Decree and is known as the "McMurray to Tyler Pipeline O/S" (PLM/CPM Record Name C_PLM08) (hereinafter referred to as the "Subject Pipeline"). The Subject Pipeline is an eight and ten-inch diameter crude oil Pipeline that originates in Nettleton, Texas and terminates at the Bullard Junction in Tyler,

Texas;

WHEREAS, Delek has contractually agreed to assume and undertake all requirements of the Consent Decree, as amended, applicable to the Subject Pipeline, and has agreed to be bound by the terms and conditions of the Consent Decree, as amended, upon the closing of the sale and transfer of the Subject Pipeline to Delek pursuant to the Purchase Agreement (the "Closing Date");

WHEREAS, Delek represents that Delek has the financial and technical ability to assume the respective obligations and liabilities of the Consent Decree as they relate to the Subject Pipeline;

WHEREAS, the United States, Plains, and Delek desire to amend the Consent Decree to: 1) transfer to Delek the obligations, liabilities, rights, and covenants of the Consent Decree as they pertain to the Subject Pipeline, 2) make Delek a party to the Consent Decree, as amended, and 3) release Plains from its obligations and liabilities under the Consent Decree insofar as they relate to the Subject Pipeline and arise on or after the Closing Date;

WHEREAS, Section XV, Paragraph 63 of the Consent Decree (Retention of Jurisdiction) specifies that the Court retains continuing jurisdiction over this case for the purpose of, among other things, "entering orders modifying th[e] Consent Decree. In addition, this Court has jurisdiction over Delek for purposes of this First Amendment to the Consent Decree (the "First Amendment") pursuant to the All Writs Act, 28 U.S.C. § 1651 and Fed. R. Civ. P. 19(a);

WHEREAS, Section V, Paragraphs 5 and 6 of the Consent Decree provide for the transfer of ownership and operation of Pipelines covered by the Consent Decree, including the Subject Pipeline; and

WHEREAS, the transfer of the Consent Decree's obligations and liabilities from Plains to Delek with respect to the Subject Pipeline is a material provision of the Purchase Agreement and is a material change of the Consent Decree effective upon Court approval pursuant to Section XVI, Paragraph 64 of the Consent Decree;

NOW THEREFORE, before the taking of any testimony, without the adjudication or admission of any issue of fact or law, and with the consent of the United States, Plains, and Delek,

IT IS HEREBY ADJUDGED, ORDERED, AND DECREED that the Consent Decree shall be amended as follows:

1. Assumption of Consent Decree Obligations. Effective as of the Closing Date, Delek agrees that:
 - A. Delek shall assume and undertake all obligations and liabilities of the Consent Decree that are applicable to the Subject Pipeline and are required to be performed on or after the Closing Date;
 - B. The terms and conditions of the Consent Decree that are applicable to the Subject Pipeline and are required to be performed on or after the Closing Date shall exclusively apply to, be binding upon, and be enforceable against Delek to the same extent as if Delek was specifically identified and/or named in those provisions of the Consent Decree; and
 - C. Delek shall be substituted for Plains with respect to the obligations of the Consent Decree that are applicable to the Subject Pipeline and are required to be performed on or after the Closing Date.

2. Effect of Entry of First Amendment to the Consent Decree. Upon the approval and entry of this First Amendment:

- A. Plains shall be relieved of its obligations that are required to be performed under the Consent Decree on or after the Closing Date with respect to the Subject Pipeline. Plains shall retain liability for all obligations and violations of the Consent Decree with respect to the Subject Pipeline that arose or occurred before the Closing Date;
- B. This First Amendment shall not alter, modify, or amend Plains' obligations under the Consent Decree in any way, except as provided herein with respect to the Subject Pipeline. The United States, Plains, and Delek hereby agree that the Consent Decree shall remain in full force and effect, except as set forth in this First Amendment; and
- C. As of the Closing Date and thereafter, (i) Plains and Delek will be considered as several, not joint, parties to the Consent Decree, as amended, and (ii) no action or inaction of either party shall in any way affect the rights or obligations of the other party with respect to the Consent Decree.

3. Purchase Agreement. This First Amendment shall not be construed as amending or modifying the Purchase Agreement in any respect, and shall be independently enforceable by the United States.

4. Notice of the Closing. Within 20 Days after the Closing Date, Delek shall notify the United States and EPA in accordance with Section XIII (Notices) of the Consent Decree that

the closing of the Purchase Agreement has occurred and shall indicate the date of the sale and transfer of ownership and operation of the Subject Pipeline to Delek. Delek shall provide the same notification to Plains at the addresses provided for in Paragraph 5 in addition to the addresses for Plains provided under Section XIII (Notices) of the Consent Decree.

5. Additional Addressees for Notices. Section XIII, Paragraph 59 (Notices) of the Consent Decree is hereby amended to include the following addressees for all notifications, submissions, or communications required by the Consent Decree, as amended, with respect to the Subject Pipeline:

As to Delek:

Delek Crude Logistics, LLC
7102 Commerce Way
Brentwood, TN 37027
Attention: Chief Executive Officer

As to Plains Marketing, L.P.:

Plains Marketing, L.P.
333 Clay Street, Suite 1600
Houston, Texas 77002
Attention: Sam Brown, Vice President

With a copy to:

Plains Marketing, L.P.
333 Clay Street, Suite 1600
Houston, Texas 77002
Attention: Lawrence J. Dreyfuss, Vice President

6. Authority to Execute. The Assistant Attorney General for the Environment and Natural Resources Division of the Department of Justice, on behalf of the United States, and each undersigned representative of Plains and Delek certify that he or she is fully authorized to enter into the terms and conditions of this First Amendment and to execute and legally bind the

party he or she represents to this document.

7. Counterparts. This First Amendment may be signed in counterparts, and its validity shall not be challenged on that basis.

8. Complete Agreement. This First Amendment constitutes the final, complete, and exclusive agreement and understanding among the United States, Plains, and Delek with respect to the agreement regarding the Subject Pipeline embodied herein, and supersedes all prior agreements and understandings, whether oral or written, concerning the agreement regarding the Subject Pipeline embodied herein. Except for the Consent Decree, no other document, nor any representation, inducement, agreement, understanding, or promise, constitutes any part of this First Amendment or the agreement that it represents, nor shall it be used in construing the terms of this First Amendment. With respect to Plains and Delek only, in the event of a conflict between the provisions of this First Amendment and any provisions of the Purchase Agreement, the Purchase Agreement shall control as to matters between Plains and Delek.

9. Approval. Upon approval and entry by the Court, this First Amendment shall constitute a final judgment of the Court as to the United States, Plains, and Delek. The Court finds that there is no just reason for delay and therefore enters this judgment as a final judgment under Fed. R. Civ. P. 54 and 58.

SO ORDERED.

Dated and entered this 19th day of January, 2012.

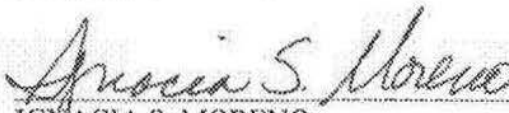


MELINDA HARMON
UNITED STATES DISTRICT JUDGE
Southern District of Texas

THE UNDERSIGNED PARTIES hereby consent and enter into this First Amendment to the Consent Decree entered in the matter of *United States v. Plains All American Pipeline, L.P., et al.* (S.D. TX):

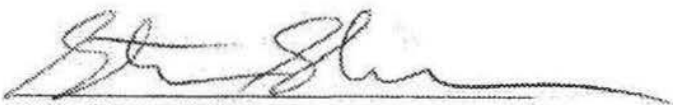
FOR PLAINTIFF THE UNITED STATES OF AMERICA:

Date: 1/12/12



IGNACIA S. MORENO
Assistant Attorney General
Environment and Natural Resources Division
U.S. Department of Justice

Attorney-in-Charge:



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Environment and Natural Resources Division
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JOSÉ ANGEL MORENO
United States Attorney
Southern District of Texas

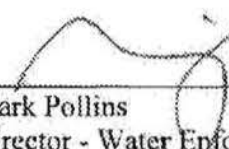
Local Co-counsel:

JUDY A. ROBBINS
Assistant United States Attorney
Southern District of Texas
P.O. Box 61129
Houston, Texas 77208


THE UNDERSIGNED PARTIES hereby consent and enter into this First Amendment to the Consent Decree entered in the matter of *United States v. Plains All American Pipeline, L.P., et al.* (S.D. TX):

**FOR THE UNITED STATES
ENVIRONMENTAL PROTECTION AGENCY:**

Date: 1.17.12


Mark Pollins
Director - Water Enforcement Division
Office of Civil Enforcement
Office of Enforcement and Compliance Assurance
United States Environmental Protection Agency
Washington, D.C. 20460

Date: 1/13/12



CHERYL ROSE
Senior Attorney
Office of Enforcement and Compliance
U.S. Environmental Protection Agency
Washington, D.C. 20460

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FOR THE UNITED STATES
ENVIRONMENTAL PROTECTION AGENCY,
REGION 6:

Date: 1/17/2012



AL ARMENDARIZ
Regional Administrator
U.S. Environmental Protection Agency, Region 6


EDWIN QUINONES, ESQ.
Senior Assistant Regional Counsel
U.S. Environmental Protection Agency, Region 6
1445 Ross Ave.
Dallas, TX 75202-2733

THE UNDERSIGNED PARTIES hereby consent and enter into this First Amendment to the Consent Decree entered in the matter of *United States v. Plains All American Pipeline, L.P., et al.* (S.D. TX):

**FOR DEFENDANTS PLAINS ALL
AMERICAN PIPELINE, L.P.; PLAINS
PIPELINE, L.P.; PLAINS MARKETING GP,
INC.; AND PLAINS MARKETING, L.P.:**

Date: 1-13-2012



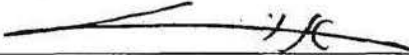
MARK J. GORMAN
Senior Vice President
Plains All American Pipeline, L.P.

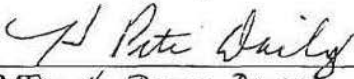


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**FOR DEFENDANT DELEK CRUDE
LOGISTICS, LLC:**

Date: January 13, 2012


NAME: ASST. GEN. COUNSEL
TITLE: EV


NAME: H. PETE DAILY
TITLE: _____